City of Minneapolis Great Streets

NEIGHBORHOOD BUSINESS DISTRICT PROGRAM

Façade Improvement Matching Grant Program

2013 Business Guidelines

The City of Minneapolis recognizes that healthy neighborhood business districts play an important role in the vitality of Minneapolis and understands there are many challenges that neighborhood businesses can face. The Great Streets program aims to help revitalize and sustain neighborhood business districts. One component of the Great Streets program is façade improvement matching grants, designed to help create healthy commercial areas by providing incentives to improve the appearance of building façades and stimulate private investment.

Who can apply for a matching grant?

Building owners and commercial tenants (with property owner's approval) can apply for a Great Streets façade grant if:

- 1. they are located within an eligible business district AND
- 2. the façade improvements are for a commercial business or commercial building, meaning it has a retail or office use.

All eligible business districts with an active Façade Improvement Matching Grant program are mapped and listed on the web and provides contact information for each program administrator, who you would contact about applying for a grant.

For-profit and not-for-profit entities are eligible to apply, as long as the grant is used for a commercial building. Most commercial uses are retail and office; however, other uses may qualify, such as day care centers. Mixed-use buildings are eligible for the commercial portion for the building.

A *property owner* who leases a commercial building to a religious use is eligible to apply for façade improvements if the improvements do <u>not</u> promote the religious use and would remain in place regardless of changes in the tenant (i.e. tuckpointing, windows, lighting). Signs, stained glass windows, and murals are examples of façade improvements that would normally be eligible, but would be *ineligible* when they promote a religious use.

How much are the matching grants?

In most areas, one matching grant can be a maximum of \$5,000 per storefront. Contact the <u>program administrator</u> for your area to discuss if your building qualifies as having more than one storefront. In limited areas of the city, a matching grant can reach up to \$7,500. The <u>list of eligible areas</u> includes the maximum grant amount for each area. You can apply for more than one grant, provided the cumulative total of all the Great Streets grants awarded does not exceed the maximum grant amount. If you have received a Great Streets Façade Improvement Matching Grant in the past, contact your program administrator to determine your eligibility for a second grant.

All grants must be matched. Some areas have a 1:1 match while others are 1:2. The <u>list of eligible</u> <u>areas</u> includes the match ratio for each area. In areas with a 1:1 match, every grant dollar must be

matched by one dollar. In areas with a 1:2 match, every grant dollar must be matched by two dollars. In other words, in 1:1 areas the grant will pay for 50% of the total project costs, up to a maximum of \$5,000 (or \$7,500 in intervene areas). In 1:2 areas, the grant will pay for 33% of the total project costs, up to a maximum of \$5,000. Matching dollars can come from any non-Great Streets source. Examples include private equity, NRP funds, and loans.

This is a <u>reimbursement program</u>. You must complete and pay for the total project cost or total private match, prior to receiving a reimbursement check from the program administrator.

What will the matching grant dollars pay for?

Great Streets Matching Grants can pay for many exterior, façade improvements. The work <u>must</u> be visible from a public street, not only an alley. Ask the program administrator or Rebecca Parrell at the City for a copy of the Great Streets <u>Façade Design Guide</u>. The guide shows specific façade improvements that are encouraged and discouraged. **Discouraged activities are <u>not</u> eligible for matching grants.**

The following are eligible improvements for façade matching grants:

- Exterior painting, re-siding, or professional cleaning
- Restoration of exterior finishes and materials
- Masonry repairs and tuck pointing
- Removal of architecturally inappropriate or incompatible exterior finishes and materials
- Restoration of architectural details or removal of materials that cover architectural details
- Repair or replacement of windows and doors (if replacement, windows and doors must be architecturally appropriate)
- Window and cornice flashing and repair
- Canopy or awning installation or repair
- Murals
- Installation or repair of exterior signage
- Removal of barriers to access the building from outside for people with disabilities
- Exterior lighting
- Contracted labor related to any of the above improvements, including design work for projects that are completed
- Wall, window, hanging, and monument signs advertising the business name and identity
- Living wall or "green façade"
- More than one improvement project, keeping in mind the maximum grant amount per business or storefront

The City of Minneapolis requires permits for most of the eligible improvements listed here. It is critical that business and building owners work with City Zoning staff on designs and obtain all necessary permits <u>before</u> beginning work. If you have *any* questions about permits, please visit <u>Minneapolis Development Review</u>, call 612-673-3000, or visit the Public Service Center at 250 South 4th Street, Room 300 (downtown Minneapolis).

What will the matching grant dollars NOT pay for?

The following activities are not eligible for matching grants:

- Improvements in progress or completed prior to preliminary approval
- Routine maintenance that is not part of an eligible façade improvement project
- Billboards
- Roofing
- Mechanicals and HVAC systems

- Interior work
- New construction
- Pylon, temporary, or roof signs
- Interior window displays
- Security systems (including metal roll down gates, window bars, cameras)
- Trash and mechanical enclosures
- Fencing
- Landscaping
- Parking areas
- Bike parking *
- Improvements to non-commercial buildings
- Improvement to a building interior, rear, or side not visible from the main street
- Backlit awnings (see pages 12-13 and 16-17 of the <u>Design Guide</u>)
- Any other improvement **not** deemed eligible on the above list

The City has small business loan programs with favorable interest rates to assist with many interior and system improvements that are not eligible for façade matching grants. Contact Judy Moses at 612-673-5283 or judy.moses@ci.minneapolis.mn.us for more information.

How do I receive a grant?

Step 1: Be sure you meet program requirements.

- ✓ The property is located in an eligible area with an active façade contract.
- ✓ The property is up-to-date on all property taxes.
- ✓ All construction management is your responsibility.
- ✓ This is a reimbursement program; you must complete and pay for the private match for the work before the program administrator will issue a <u>reimbursement check</u>. See step 6 for further information.

Step 2: Set-up a meeting with the <u>program administrator</u> to discuss your project and review the Great Streets <u>Façade Design Guide</u>.

Step 3: Submit the Great Streets Business Application and Participation Agreement to the program administrator, including:

- a. A written description of the project, including drawings, before photographs of the building, and other supporting materials that accurately represent scope and intent of project improvements.
- b. Evidence you have the matching dollars available.
- c. Two (2) contractors' bids that meet the following guidelines.
 - i. Both bids must be for identical scopes of work.
 - ii. If qualified to do so, you may perform the work yourself; however, grant funds can <u>only</u> be used to compensate for materials, not for labor or the purchase or rental of tools and equipment. Sweat equity labor includes that of a friend, relative, or anyone with a financial interest in the business or property.
 - iii. Evidence that contractors are licensed, bonded, and/or insured.
 - iv. Applicants are encouraged to solicit estimates from women and minority contractors.
 - v. Projects totaling less than \$1,000 and murals only need to submit one bid.

^{*} Funding is available to assist businesses interested in installing bike racks. The City can pay for half of the cost of purchasing racks when funds are available. Call 612-673-2129 to learn more.

- vi. Grant amounts are based on the lower bid; however, you are free to accept the higher bid.
- **Step 4: This step is somewhat different for each organization administering the program.** All applications are reviewed and approved by a committee, the makeup of which varies.
- **Step 5: Receive a signed copy of the Business Application and Participation Agreement**, from the program administrator after the project has been approved. The Participation Agreement authorizes you to proceed with the project. <u>Before you begin, be sure to obtain all the necessary permits for the project</u>. Permit and taxes paid verification is required prior to any grant disbursements.
- **Step 6: Complete the project and submit documentation** to the program administrator within nine (9) months of the date on the signed Participation Agreement. The grant funds will be disbursed to you or to your contractor(s) by the program administrator after they have received ALL four of the following items. If more than one contractor is used, you must submit all four items for each contractor.
 - 1) **Before and After Photographs** highlighting the improvement project from the same vantage point.
 - 2) **Completion Certificate** provided to you by the program administrator and signed by you and the contractor.
 - 3) **Proof of final inspection** by the City of Minneapolis Inspections Department for work requiring a City permit (a copy of the permit signed off by the responsible City Inspector).
 - 4) **Final invoice** from the contractor showing the total project cost.
 - 5) **Proof of payment** paid to contractor in <u>one of the following two forms</u>. You should be totally satisfied with the work before paying.
 - i. A <u>lien waiver</u> is a statement issued by the contractor that advises the client that they, the contractor, (a) have been paid in full for the total project cost, (b) are satisfied with the compensation for the work they performed, and (c) waive their right to place any liens on the property for the work completed. (*If there are significant material costs, we advise you to obtain a lien waiver from the materials supplier, advising that the contractor paid them in full.*) **OR**
 - ii. If you only paid the matching funds (private match) portion of the contract and the contractor will wait for the final payment you can submit a <u>cancelled check</u> **AND** a <u>signed receipt.</u> You will need a copy of the actual cancelled check(s), returned to you by the bank you used to pay the contractor. Both the front and back of the check must be copied and must be made payable to the contractor for a minimum of the *private match*. You will also need a properly executed receipt, signed by an authorized officer of the contracting firm that includes the contractor's name, address, telephone number, and notation that a minimum of the *private match* was paid in full.

Who can I contact at the City?

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